



**Billing Code: 5001-06**

**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**(Transmittal No. 15-35)**

**36(b)(1) Arms Sales Notification**

**AGENCY:** Department of Defense, Defense Security Cooperation Agency.

**ACTION:** Notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

**FOR FURTHER INFORMATION CONTACT:** Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 15-35 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: June 9, 2015.

Aaron Siegel,  
Alternate OSD Federal Register Liaison Officer,  
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY  
201 12<sup>TH</sup> STREET SOUTH, STE 203  
ARLINGTON, VA 22202-5408


The Honorable John A. Boehner  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

JUN 01 2015

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 15-35, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to the Government of Japan for defense articles and services estimated to cost \$1.70 billion. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

  
J. W. Rixey  
Vice Admiral, USN  
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology



## Transmittal No. 15-35

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: Government of Japan
- (ii) Total Estimated Value:

Major Defense Equipment*	\$ .850 billion
Other	<u>\$ .850 billion</u>
TOTAL	\$1.700 billion
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: four (4) E-2D Advanced Hawkeye (AHE) Airborne Early Warning and Control (AEW&C) aircraft, ten (10) T56-A-427A engines (8 installed and 2 spares), eight (8) Multifunction Information Distribution System Low Volume Terminals (MIDS-LVT), four (4) APY-9 Radars, modifications, spare and repair parts, support equipment, publications and technical documentation, personnel training and training equipment, ferry services, aerial refueling support, U.S. Government and contractor logistics, engineering, and technical support services, and other related elements of logistics and program support.
- (iv) Military Department: Navy (SCJ)
- (v) Prior Related Cases, if any: None
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex.
- (viii) Date Report Delivered to Congress: 01 June 2015

\* as defined in Section 47(6) of the Arms Export Control Act.

## POLICY JUSTIFICATION

### Japan – E-2D Advanced Hawkeye Airborne Early Warning and Control Aircraft.

The Government of Japan has requested a possible sale of four (4) E-2D Advanced Hawkeye (AHE) Airborne Early Warning and Control (AEW&C) aircraft, ten (10) T56-A-427A engines (8 installed and 2 spares), eight (8) Multifunction Information Distribution System Low Volume Terminals (MIDS-LVT), four (4) APY-9 Radars, modifications, spare and repair parts, support equipment, publications and technical documentation, personnel training and training equipment, ferry services, aerial refueling support, U.S. Government and contractor logistics, engineering, and technical support services, and other related elements of logistics and program support. The estimated cost is \$1.7 billion.

This proposed sale will contribute to the foreign policy and national security of the United States. Japan is one of the major political and economic powers in East Asia and the Western Pacific and a key partner of the United States in ensuring peace and stability in that region. It is vital to the U.S. national interest to assist Japan in developing and maintaining a strong and ready self-defense capability. This proposed sale is consistent with U.S. foreign policy and national security objectives and the 1960 Treaty of Mutual Cooperation and Security.

The proposed sale of E-2D AHE aircraft will improve Japan's ability to effectively provide homeland defense utilizing an AEW&C capability. Japan will use the E-2D AHE aircraft to provide AEW&C situational awareness of air and naval activity in the Pacific region and to augment its existing E-2C Hawkeye AEW&C fleet. Japan will have no difficulty absorbing these aircraft into its armed forces.

The proposed sale of these aircraft and support will not alter the basic military balance in the region.

The principal contractor will be Northrop Grumman Corporation Aerospace Systems in Melbourne, Florida. The acquisition and integration of all systems will be managed by the U.S. Navy's Naval Air Systems Command (NAVAIR). There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require any additional U.S. Government or contractor personnel in Japan. However, U.S. Government or contractor personnel in-country visits will be required on a temporary basis in conjunction with program technical and management oversight and support requirements.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

## Transmittal No. 15-35

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act

Annex  
Item No. vii

(vii) Sensitivity of Technology:

1. The E-2D Advanced Hawkeye (AHE) Airborne Early Warning and Control (AEW&C) is a state of the art aircraft. The E-2D AHE provides detection and surveillance of regional surface and aircraft platforms through the use of the APY-9 radar, APX-122A Identification Friend or Foe (IFF), and ALQ 217 Electronic Support Measures (ESM) systems. The E-2D AHE provides area surveillance and detection, air intercept control, air traffic control, search and rescue assistance, communication relay and automatic tactical data exchange. The E-2D AHE is classified Secret.

2. The APY-9 radar is a mechanically rotated, electronically scanned array, which utilizes Space Time Adaptive Processing technology to provide 360-degree detection and surveillance in high clutter environments. It is able to provide simultaneous detection and surveillance of surface and air units. The APY-9 radar is classified Secret.

3. The Multifunction Information Distribution System Low Volume Terminals (MIDS-LVT) is a command, control, communications, and intelligence (C3I) system incorporating high-capacity, jam-resistant, digital communication links for exchange of near real-time tactical information including both data and voice, among air, ground and sea elements. The MIDS-LVT incorporates the Link-16 military technical data exchange network which supports key theater functions such as surveillance, identification, air control, and direction for U.S. Services and those allied and partner nations for which there is a validated interoperability requirement. The system provides jam-resistant, wide-area communications on a Link-16 network. Link-16 provides a correlated, real-time picture of the battle space. These devices have embedded communications security (COMSEC) which contains sensitive encryption algorithms and keying material. The MIDS-LVT is classified Secret.

4. The APX-122 Interrogator and APX-123 IFF Transponder are identification systems designed for command and control. They provide the ability to distinguish friendly aircraft, vehicles, or forces, and to determine their bearing and range from the interrogator. These devices have embedded COMSEC which contains sensitive encryption algorithms and keying material. The APX-122 Interrogator and APX-123 IFF Transponder are classified Secret.

5. The ALQ-217 Electronic Support Measure system is used to detect, intercept, identify, locate, record, and/or analyze sources of radiated electromagnetic energy to support classification of unknown surface and airborne units. The ALQ-217 is classified Secret.

6. If a technologically advanced adversary obtained knowledge of the specific hardware or software in the proposed sale, the information could be used to develop countermeasures which might reduce weapons system effectiveness or be used in the development of a system with similar or advanced capabilities.

7. A determination has been made that the Government of Japan can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

8. All defense articles and services listed in this transmittal have been authorized for release and export to the Government of Japan.